

# FISCAL NOTE

**Bill #:** HB0280

**Title:** Authorize use of originally-issued vintage automobile license plates

**Primary Sponsor:** Wanzenried, D

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$13,704	\$0
<b>Revenue:</b>		
General Fund	\$23,000	(\$10,500)
<b>Net Impact on General Fund Balance:</b>	\$9,296	(\$10,500)

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input type="checkbox"/> Technical Concerns                      |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

## Fiscal Analysis

### ASSUMPTIONS:

#### **Department of Justice**

1. Revenues may increase slightly in the first year following the effective date of HB 280 for the permanent registration of motor vehicles that would display an original Montana license plate on a collector's item. Revenues in subsequent years would be substantially less than the first year. Any increase would be dependent upon the qualification of all of the criteria in HB 280.
2. There are currently 4,849 motor vehicles eleven years or older registered in Montana under the permanent registration statutes representing less than 1 percent of those vehicles eligible for permanent registration. It is unknown the number of motor vehicles 25 years old or older meeting the criteria that would display an original Montana license plate on a collectors motor vehicle and be used for general transportation. Administrative expenses increase by \$13,704 in FY 2004 for programming and computer processing costs to update the motor vehicle registration system to allow for permanent registration of a new plate and ensure edits to eliminate duplicate active license plate numbers.

#### **Department of Revenue**

3. An owner of a motor vehicle that is at least 25 years old and used for general transportation purposes is allowed to display original Montana license plates. A vehicle that meets these requirements is defined as a "general transportation collector's item." (assumption uses calendar year 2001 motor vehicle database)

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(continued)

4. This bill requires an owner of a general transportation collector's item to permanently register their motor vehicle as provided in 61-3-562, MCA.
5. This bill will increase revenue going to the state general fund by \$23,000 in FY 2004 and decrease revenue going to the state general fund by \$10,500 in FY 2005. Revenues are increasing in FY 2004 and decreasing in FY 2005 because the total fee amount paid when permanently registering your vehicle is greater than those fees paid annually, and the fees paid under permanent registration are a one-time occurrence.

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
<b>Department of Justice</b>		
<u>Expenditures:</u>		
Operating Expenses	\$13,704	0
 <u>Funding of Expenditures:</u>		
General Fund (01)	\$13,704	0
 <b>Department of Revenue</b>		
<u>Revenues:</u>		
General Fund (01)	\$23,000	(\$10,500)
 <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$9,296	(\$10,500)

**EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:**

Revenue going to local governments with a local option vehicle tax or flat fee will increase in FY 2004 and decrease in the following fiscal years. The net impact to local governments should be minimal.

**LONG-RANGE IMPACTS:**

Revenue going to the state general fund and the state special revenue accounts receiving transfer payments pursuant to 15-1-122(3), MCA, will be less than under current law. The impacts to these accounts should be minimal.